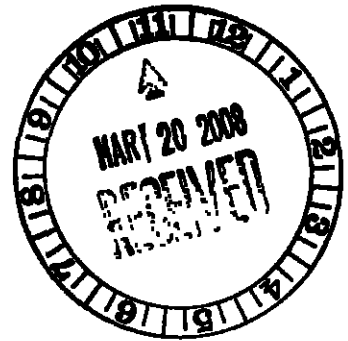




201 Ray Young Drive
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Phone (573) 874-5111
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221848

March 18, 2008

VIA FIRST CLASS MAIL

Anne K. Quinlan, Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001

Re Finance Docket No. 35081
*Canadian Pacific Railway Company, et al — Control - Dakota, Minnesota &
Eastern Railroad Corp., et al*

Dear Acting Secretary Quinlan:

On behalf of MFA Incorporated, please find the attached verified statement commenting on the application of the Canadian Pacific Railway ("CP") to acquire control of the Iowa, Chicago and Eastern Railroad and Dakota, Minnesota & Eastern Railroad. Please enter it into the record, and if you have any questions, please give me a call.

ENTERED
Office of Proceedings

MAR 20 2008

Part of
Public Record

Sincerely,

A handwritten signature in black ink, appearing to read "Charles Cott".

Charles Cott
MFA, Incorporated
Vice President - Plant Foods & Transportation

cc Parties of Record

**BEFORE THE
SURFACE TRANSPORTATION BOARD**

FINANCE DOCKET NO. 35081

CANADIAN PACIFIC RAILWAY COMPANY, ET AL.

- CONTROL -

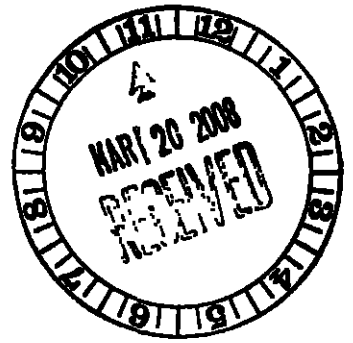
DAKOTA, MINNESOTA & EASTERN RAILROAD CORP., ET AL

**COMMENTS OF MFA INCORPORATED
ON PROPOSED PROCEDURAL SCHEDULE**

**VERIFIED STATEMENT OF
CHARLES COTT
ON BEHALF OF
MFA INCORPORATED**

My name is Charles Cott, I am Vice President of Plant Food and Transportation for MFA Incorporated. MFA Incorporated is a Regional Agricultural Cooperative, with 45,000 farmer owners. MFA markets 60 million bushels of grain annually and provides crop input, feed, and farm supplies through its retail system. We operate in excess of 120 retail locations in Missouri, Kansas, Arkansas, and Iowa. MFA just celebrated its 94 year in business as a cooperative. Rail transportation plays a critical role in getting our product to the market. Our company is currently served only by the Iowa, Chicago, and Eastern Railroad ("IC&E") at Laredo MO. Much of our product is shipped via rail.

As a grain producer/elevator located on the lines of IC&E, we are constantly trying to find buyers for our grain and at the best price. In general, the more sources of grain buyers available to us, the better price we will get for our product.



An important component of the ultimate delivered price is the transportation price, which for us means the rail rate, and rail rates can represent up to 30% of the ultimate delivered price of our product. Because our customers tend to buy F O B origin, they end up paying for the transportation price themselves, but if they cannot get a good rail rate from our location to their destination, they will buy from another origin, which obviously adversely impacts our business.

It is precisely because of the importance of competitive rail rates for continued grain marketing services for farmers, that there not be any reduction in our transportation options as a result of Canadian Pacific Railway's ("CP") acquisition of control of IC&E and Dakota, Minnesota & Eastern Railroad ("DM&E"). Currently, because IC&E is a regional railroad, it does not serve most of the destinations and must interchange our traffic to the other Class I railroads for ultimate delivery to our buyers. IC&E connects with all of the major railroads. As a result, IC&E, in effect, acts as a gigantic neutral switching railroad and gives us access to numerous destinations via the interchanges with the other Class I railroads.

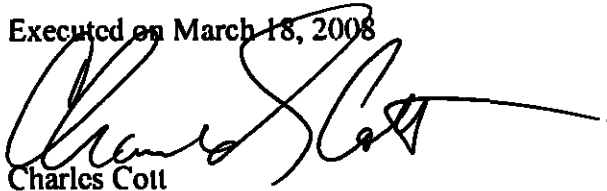
If CP acquires IC&E, IC&E will lose its neutrality. CP will naturally favor grain buyers located on its lines and it will adjust the rail rates so as to foreclose our ability to market to destinations on other Class I carriers. This will result in fewer markets for our grain, not more, and will ultimately reduce the prices we can obtain in the marketplace, for the benefit of our farmer-owners. This is not just theory. For example, today, most of our product is bought by poultry feed mills in Arkansas, Oklahoma, and Mississippi. Those mills are served by The Kansas City Southern Railway Company ("KCSR"), and IC&E, pursuant to an agreement between IC&E and KCSR, interchanges our product to KCSR at Kansas City for ultimate delivery to those feed mills.

We are concerned that CP will not honor the KCSR/IC&E agreement for the long term, and will, at the end of that agreement, foreclose KCSR routing options in favor of CP destinations. Yet, we need the long term assurance that the KCSR routing option will remain available in a post-transaction environment. A loss of that routing option would have significant negative impacts on our company. Accordingly, MFA supports any request by KCSR to ensure that its existing agreement with IC&E for Iowa, Minnesota, and MFA's origin in Laredo, MO remain viable for the long term.

VERIFICATION AND CERTIFICATION

I, Charles Cott, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this verified statement. I also certify that I have this day served a copy of the foregoing Verified Statement upon all other parties of record by depositing a copy in the U.S. mail in a properly addressed envelope with adequate first-class postage thereon prepaid, or by other, more expeditious means.

Executed on March 18, 2008



Charles Cott

Vice President Plant Foods and Transportation

MFA Incorporated

201 Ray Young Dr

Columbia MO, 65201